



Plenary sitting

B8-1241/2015

20.11.2015

MOTION FOR A RESOLUTION

to wind up the debate on the statement by the Commission

pursuant to Rule 123(2) of the Rules of Procedure

on the accession of Ecuador to the Trade Agreement concluded between the EU and its Member States and Colombia and Peru (2015/2656(RSP))

Helmut Scholz

on behalf of the Committee on International Trade

European Parliament resolution on the accession of Ecuador to the Trade Agreement concluded between the EU and its Member States and Colombia and Peru (2015/2656(RSP))

The European Parliament,

- having regard to the conclusion of negotiations between the EU and Ecuador for its accession to the Trade Agreement concluded between the EU and Colombia/Peru on 17 July 2014,
 - having regard to the initialling of the protocol that will allow Ecuador to join its neighbours, Colombia and Peru, in a preferential trade relationship with the EU on 12 December 2014,
 - having regard to its position at first reading of 17 December 2014 on the proposal for a regulation of the European Parliament and of the Council on the tariff treatment for goods originating from Ecuador¹,
 - having regard to its legislative resolution of 11 December 2012 on the draft Council decision on the conclusion of the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part²,
 - having regard to its position at first reading of 11 December 2012 on the proposal for a regulation of the European Parliament and of the Council implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Trade Agreement between the European Union and Colombia and Peru³,
 - having regard to its resolution of 13 June 2012 on the EU trade agreement with Colombia and Peru⁴,
 - having regard to its resolutions of 5 May 2010 on the EU strategy for relations with Latin America⁵ and of 21 October 2010 on the EU's trade relations with Latin America⁶,
 - having regard to Rule 123(2) of its Rules of Procedure,
- A. whereas the accession of Ecuador to the Trade Agreement with Colombia and Peru is another decisive step forward in the alliance with important, like-minded and fast-growing countries in a region that is turning more and more to Asia and the Pacific;
- B. whereas the text of the Protocol of Accession by Ecuador to the Trade Agreement with Colombia and Peru matches the ambitions of both the EU and Ecuador by taking into

¹ Texts adopted, P8_TA(2014)0087.

² Texts adopted, P7_TA(2012)0481.

³ Texts adopted, P7_TA(2012)0480.

⁴ OJ C 332 E, 15.11.2013, p. 52.

⁵ OJ C 81 E, 15.3.2011, p. 54

⁶ OJ C 70, 8.3.2012, p. 79.

consideration the asymmetrical relationship in market access offers in favour of Ecuador and aligning it to the content of the Agreement, but fully including the specific adaptations as requested by Ecuador;

- C. whereas the Ecuadorian Government has invested USD 40.8 billion in the social sector – access to education, healthcare and social security – over the past eight years, with specific programmes in favour of the most vulnerable groups such as children, the elderly and the disabled;
1. Welcomes the conclusion of the negotiations with Ecuador on the protocol for its accession to the Trade Agreement between the EU, Colombia and Peru, recognising the important benefits that this will bring for Ecuador's exports to the EU, particularly in view of the fact that it no longer benefits from the EU's unilateral Generalised Scheme of Preferences; encourages the quick and complete entry into force and implementation of this agreement, which will ensure the protection of citizens and the environment at the highest level; considers that this agreement will boost and diversify trade and investment on both sides, act as an important driver for economic and social development and contribute to alleviating poverty and reducing inequality;
 2. Recalls that, before giving its consent to the Trade Agreement on 11 December 2012, Parliament called on the Andean countries, in its aforementioned resolution of 13 June 2012, to ensure the establishment of a transparent and binding road map on human, environmental and labour rights, and that the Colombian and Peruvian Governments submitted action plans on sustainable development prior to Parliament giving its consent; urges all partners to work towards the effective implementation of the submitted action plans on human, environmental and labour rights;
 3. Underlines the importance of Ecuador ensuring that its policies are consistent with its WTO and trade agreement commitments and providing for full transparency and broad consultation with stakeholders before their adoption; calls on Ecuador, therefore, to address the remaining identified market access obstacles without further delay;
 4. Reminds the Commission and the EEAS of the role they must play to ensure the effective application of the action plans; reminds the Commission that it should inform Parliament in an appropriate manner about the application of those action plans and the measures they have taken to ensure their implementation;
 5. Asks the Commission to submit to Parliament a comprehensive report focusing on the implementation of the action plans by the governments and the accompanying measures taken by the Commission through cooperation programmes, in particular in connection with education, training, regulatory cooperation and the creation of socioeconomic opportunities for the most deprived sections of society and with fostering progress on democracy, upholding human and workers' rights and protecting the environment; urges the Commission to make full use of the Development Cooperation Instrument (DCI) and the European Instrument for Democracy and Human Rights (EIDHR) in this connection;
 6. Urges the Government of Ecuador to take note of the action plans submitted by Colombia and Peru and to take similar measures as this is an opportunity to improve the general condition of their citizens' lives, including human and labour rights and the

environment;

7. Stresses that human rights and democracy are essential elements of the overall relationship between the EU and the Andean countries; calls, therefore, on all partners to promote all the rights and freedoms enshrined in international law and to ensure that they are fully and universally guaranteed;
8. Stresses that Ecuador's economy achieved robust economic growth in the last few years and recognises that economic growth has been inclusive; points out that it has directly reduced poverty, particularly extreme poverty, and inequality levels and increased the middle class; welcomes the fact that, according to the latest World Bank figures, poverty in Ecuador decreased from 37.6 % to 22.5 % between 2006 and 2014, while extreme poverty fell from 16.9 % to 7.7 %;
9. Commends the Ecuadorian Government for having invested over USD 40 billion in the social sector over the past eight years; encourages Ecuador to continue with its successful progressive social and sustainable development policies;
10. Notes the major investments made by Ecuador over recent years; reaffirms its support for all legislative and non-legislative action taken by the government and local authorities in Ecuador to combat poverty, inequality, all forms of violence, impunity, corruption and organised crime, in particular drug trafficking, and for their action to ensure that workers' rights and the rights of vulnerable persons and groups, such as children, women, minorities and indigenous peoples, are properly protected, with a view to achieving sustainable and inclusive social and economic development; urges Ecuador, in connection with children's rights, to continue and to step up its efforts to provide access to education and combat child labour;
11. Calls on the Commission to analyse compatibility problems arising from divergent provisions regarding rules of origin, and regarding sanitary and phytosanitary measures (SPS) in relation to trade between the Andean region and the EU, and trade between the Andean region and MERCOSUR; calls on the Commission to offer, if necessary, technical assistance to cope with divergent requirements in order to prevent an unwanted disturbance of regional integration processes in South America;
12. Draws attention to the EU objective of including a binding trade and sustainable development chapter in all trade agreements concluded with both industrialised and non-industrialised partners; supports, in this connection, the inclusion in the trade agreement between the EU and Ecuador of a sustainable development chapter reflecting the partners' common commitment to promote respect for, compliance with and full and proper enforcement of international human rights agreements, ILO conventions and key multilateral environmental agreements such as the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);
13. Welcomes the recent letter from the Ecuadorian Ministry for Foreign Trade which assesses the gender situation in Ecuador; calls for a specific assessment of the effects of free trade policies on women, especially in the poorer areas; calls for more comprehensive respect for women's rights, especially where they are influenced by or related to trade policies and their effects;

14. Notes that the scope of the dispute settlement chapter in the trade agreement does not include the provisions foreseen under the sustainable development chapter;
15. Welcomes the fact that Ecuador has ratified all eight fundamental ILO conventions; insists on the importance of swift ratification and effective implementation of all ILO conventions by Ecuador and all the EU Member States; regrets that Ecuador has not yet ratified ILO Convention 129, and calls on the Commission to support the efforts of Ecuador to progress in the effective application thereof; calls on the Ecuadorian Government to follow the recommendations of the ILO's Committee of Experts for effective application of ILO Conventions 87 and 98 and emphasises the importance of the possibility for workers to be able to change or establish new trade unions, for reasons of independence, effectiveness and ideological affinity, and recalls in particular that the ILO has requested that the Ecuadorian Government take the legislative action necessary to comply with the provisions of Article 2 of the Convention;
16. Welcomes the fact that the parties confirm their commitment to conserve and sustainably use biological diversity in accordance with the legally binding Convention on Biological Diversity (CBD) and other relevant international agreements to which the parties are party;
17. Notes that Ecuador is one of the world's 17 mega-diverse countries and is home to the greatest concentration of species (between 5 % and 10 % of the world's biodiversity);
18. Recalls that the Ecuadorian constitution explicitly recognises the development of fair trade as a key objective of the country's trade policy; calls on the Commission to engage with the Ecuadorian Government to promote common projects in the area of fair trade;
19. Acknowledges the major efforts made by Ecuador on environmental issues, which have also been recognised by the UN; is concerned at the fact that, despite the efforts made by the country on environmental issues, Ecuador and its neighbouring countries are facing intensive deforestation, a significant loss of biodiversity, soil and water pollution and erosion; urges the Commission to promote and support relevant international, regional and local strategies and programmes and to foster the necessary synergies and the responsible involvement of all public and private stakeholders;
20. Calls for a cooperation agreement between Ecuador and the EU in support of specific environmental programmes and welcomes the interest already expressed by the Ecuadorian Government in a cooperation agreement with the EU in support of programmes relating to deforestation; supports the view that deforestation is an issue involving the responsibility of the international community as a whole;
21. Recalls that the EU-Andean Sustainability Impact Assessment (2009) predicted that deforestation and reduced biodiversity would result from the projected expansion of the agriculture and timber industries, as well as social conflict from the expansion of mining, hydrocarbon extraction and logging activities in rural areas;
22. Calls on the European External Action Service (EEAS) and the Commission to pay close attention to environmental sustainability in the design and implementation of all Commission-funded cooperation activities and calls on all the parties to promote best

business practices relating to corporate social responsibility (CSR) in line with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines on CSR and the Commission communication of 25 October 2011 on ‘a renewed EU strategy 2011-14 for Corporate Social Responsibility’ (COM (2011)0681);

23. Encourages Ecuadorian municipalities to use the opportunities offered by the new trade framework to cooperate directly with municipalities in the EU in order to promote fair trade and to establish new fair trade networks;
24. Welcomes and supports the decision of the UN Human Rights Council (UNHRC) to establish an intergovernmental working group (IGWG) on transnational corporations and human rights, as proposed by Ecuador and South Africa and supported by many other countries; instructs the Commission to engage positively and constructively in the ongoing negotiations in Geneva;
25. Calls on the EEAS and the Commission to support the Ecuadorian Government in its efforts to develop and sustain effective environmental management, both generally and in sensitive areas such as the Amazon and the Galápagos Islands as safeguarding the future of our planet is a common responsibility;
26. Recalls that Yasuni, which is part of the Amazon, is home to several indigenous tribes, hundreds of native tree species and dozens of endangered fauna; recalls its significance to mankind and the world natural heritage, including for future generations;
27. Regrets that the concept of supporting environmental protection by compensating for the loss in potential trade revenues and to cofinance the establishment of the Yasuni Ishpingo Tambococha Tiputini (ITT) Trust Fund under the auspices of the United Nations Development Programme (UNDP), as proposed by the Ecuadorian Government, which was intended to compensate the Ecuadorian people for refraining from extracting oil from the fields located in the Yasuni National Park, failed owing to unsatisfactory economic results;
28. Acknowledges the efforts made by Ecuador to afford better protection to indigenous communities and urges the Ecuadorian Government to make sure that its policies – in particular its mining strategy – do not have an adverse impact on the rights of indigenous communities;
29. Highlights the importance of preserving and maintaining indigenous and local communities which embody traditional lifestyles, and stresses their relevance to the conservation and sustainable use of biological diversity in the Andean countries;
30. Welcomes the fact that Ecuador has ratified ILO Convention No 169 on indigenous and tribal peoples, but notes that the trade agreement does not make any reference to the convention;
31. Calls on the Ecuadorian Government to further improve the existing domestic mechanisms and dialogue with civil society within the monitoring framework of the Civil Society Mechanism, including a substantial information and advertising campaign to maximise the participation of the groups concerned in the Civil Society Mechanism; recalls that the trade agreement requires Ecuador to establish such mechanisms no later

- than one year after the entry into force of the agreement;
32. Calls on the parties involved to take measures in order to improve the work of the domestic advisory groups; takes the view that all domestic advisory groups must be fully independent;
 33. Asks the EU domestic advisory group to produce a regular report to be submitted to and assessed by Parliament;
 34. Highlights the importance of having sufficient participation of civil society organisations at the annual session with civil society organisations as provided for in the agreement, and the public at large as provided for in the agreement;
 35. Welcomes the initiatives taken by the Ecuadorian Government such as the establishment of Ecuador's Council for Civil Participation and Social Accountability (CPCCS) as a means of integration, aimed at strengthening and incentivising the participation of civil society, promoting transparency and eradicating corruption practices; recalls the importance of establishing effective dialogue mechanisms where they do not exist, in order to guarantee the right of citizens and social agents to organise, take part in decision making and monitor implementation on an individual or collective basis;
 36. Underlines the importance of the joint Subcommittee on Trade and Sustainable Development as it is the only mechanism provided for in the trade agreement to monitor the implementation of the sustainable development obligations both for the states parties and for companies;
 37. Asks the Commission to submit to Parliament all the agendas and minutes of the subcommittee meetings;
 38. Notes the introduction of the Balance of Payment Safeguard by Ecuador; calls on Ecuador to address promptly the concerns identified during the consultations by other WTO members in the Balance of Payment Committee in Geneva;
 39. Notes that, alongside Colombia and Peru, Ecuador is one of the world's top producers of bananas; calls therefore on the Commission to ensure that the trigger import volumes laid down in the stabilisation mechanism for bananas are fairly respected; asks the Commission to regularly inform Parliament without delay, and in any event when the trend in banana imports is such that it could cause the trigger import volumes to be reached, and to provide details of the direct and indirect impact of banana imports from those countries; calls on the Commission also to use the possibility of suspending the duty exemption on bananas imported from those countries if imports are increasing in a disproportionate manner, causing serious harm to the economies of the EU producing regions, such as job losses;
 40. Calls on the parties to ensure that all provisions of the agreement are effectively implemented as soon as the agreement enters into force;
 41. Expresses its conviction that safeguard clauses should be established simultaneously by both sides in order to protect national production against import surges that may cause

serious harm;

42. Asks both DG Trade and the Ecuadorian Government to provide convincing answers to the questions and concerns raised, before Parliament votes on Ecuador's accession to the trade agreement;
43. Instructs its President to forward this resolution to the Council, the Commission and the governments of Ecuador, Colombia and Peru.